

**THE HOUSING AND REDEVELOPMENT COMMISSION  
OF THE CITY OF MITCHELL, SOUTH DAKOTA,  
A COMPONENT UNIT OF THE CITY OF  
MITCHELL, SOUTH DAKOTA**

**FINANCIAL STATEMENTS  
(Audited)**

**JUNE 30, 2013**

**THE HOUSING AND REDEVELOPMENT COMMISSION  
OF THE CITY OF MITCHELL, SOUTH DAKOTA, A COMPONENT UNIT  
OF THE CITY OF MITCHELL, SOUTH DAKOTA**

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*certified public accountants*

## INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners  
The Housing and Redevelopment Commission  
of the City of Mitchell, South Dakota

### Report on Financial Statements

We have audited the accompanying financial statements of The Housing and Redevelopment Commission of the City of Mitchell, South Dakota, a component unit of the City of Mitchell, South Dakota, as of June 30, 2013, and for the year then ended, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Housing and Redevelopment Commission of the City of Mitchell, South Dakota, as of June 30, 2013, and the respective changes in financial position, and its cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Other Matters**

#### *Required supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 10 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise The Housing and Redevelopment Commission of the City of Mitchell, South Dakota's basic financial statements. The Commission's Financial Data Schedule (FDS), as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements of The Housing and Redevelopment Commission of the City of Mitchell, South Dakota. The financial data schedule is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 24, 2014, on our consideration of The Housing and Redevelopment Commission of the City of Mitchell, South Dakota's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

*Wohlerberg Ritzman & Co., LLC*

March 24, 2014  
Yankton, South Dakota

***The Housing & Redevelopment Commission of the City of  
Mitchell  
Management's Discussion and Analysis  
For the Year Ended June 30, 2013***

**Introduction**

This Management's Discussion and Analysis (MD&A) of the Housing & Redevelopment Commission of the City of Mitchell (Commission) provides an introduction and overview to the financial statements of the Housing & Redevelopment Commission of the City of Mitchell for the fiscal year ended June 30, 2013. The Housing & Redevelopment Commission of the City of Mitchell presents this discussion and analysis of its financial performance during the fiscal year ended June 30, 2013, to assist the reader in focusing on significant financial issues.

The primary focus of the Commission's financial statements is on the statements of its single enterprise fund encompassing all programs administered by the Housing & Redevelopment Commission of the City of Mitchell. This information contained herein this MD&A should be considered in conjunction with the commission's financial statements and related notes to the financial statements.

The Commission has four significant programs. They include the Low Rent Housing Program, the Capital Fund Program, the Housing Choice Voucher Program and Management Fund Program.

The Low Rent Housing Program consists of 112 dwelling units. Funding is provided based on dwelling rents paid by the tenants and operating fund payments received from the Department of Housing & Urban Development based on a formula.

The Capital Fund Program is also a formula based program from HUD. The purpose of this program is to provide funding for the modernization and improvement of the Low Rent Public Housing Program. These resources allow the Commission to provide capital improvements for the current dwelling structures and assist the Commission in operations.

The Housing Choice Voucher Program provides rental assistance to aid low income families in affording decent, safe and sanitary rental housing. The Commission provides rental assistance in the form of a housing assistance payment to a landlord on behalf of the tenant. The Commission currently has 116 units available. Funds are provided by HUD to provide rental assistance payments. The Commission is provided an administrative fee for the purpose of covering the administrative costs of the program. The administrative fee is computed by HUD on an annual basis.

The Management Fund Program currently has no activity.

**Overview of the Financial Statements**

This overview of the financial statement is intended to inform and introduce the reader to the Commission's financial statements. The financial statements are comprised of three individual statements. These statements include:

## ***Management's Discussion and Analysis-Cont.***

- The Statement of Net Position
- The Statement of Revenues, Expense, and Changes in Net Position
- The Statement of Cash Flows

**The Statement of Net Position** presents information on the assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the differences between the two being reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial situation of the Commission is improving or deteriorating. Net position is comprised of three individual components:

- *Investment in Capital Assets* consists of capital asset balances net of accumulated depreciation less any outstanding balances of related debt associated with these assets.
- *Restricted* component of net position consists of resources that are restricted by limitations placed on these resources by an external source or imposed by law through constitutional provisions.
- *Unrestricted* component of net position represents the remaining resources available that does not meet the definition of the above categories. The unrestricted component of net position is basically the amount of resources available for future year appropriations.

**The Statement of Revenues, Expenses, and Changes in Net Position** reports the operating revenues, operating expenses, non-operating revenues, and non-operating expenses of the Commission for the fiscal year ended June 30, 2013, to determine the change in net position for the fiscal year.

**The Statement of Cash Flows** reports cash activities for the fiscal year resulting from operating activities, investing activities, non-capital financing activities, and capital and related to financing activities. The net result of these activities represents the increase or decrease of the cash equivalent account balance for the year ended June 30, 2013.

### **Financial Highlights**

- The Housing & Redevelopment Commission of the City of Mitchell's net position decreased from \$2,800,819 to \$2,591,367, a decrease of \$209,452 or 7%. The total assets also decreased by \$221,254 or 8%.
- Total revenues decreased from \$802,680 to \$686,813, a decrease of \$115,867 or 14%.
- Total expenses also decreased by \$73,040 from \$969,305 to \$896,265 for the current year. This represents a decrease of 8%.

## ***Management's Discussion and Analysis-Cont.***

### **Housing Commission Activities & Highlights**

The Commission's overall financial position for the past two years is summarized below based on the information in the current and prior financial statements. The table below provides the asset, liability, and net position (equity) comparisons for the year ended June 30, 2013, and June 30, 2012.

#### ***Summary Statement of Net Position Years Ended June 30, 2013 and 2012***

<b><u>Category</u></b>	<b><u>FYE 2013</u></b>	<b><u>FYE 2012</u></b>	<b><u>Change \$</u></b>	<b><u>Change %</u></b>
Current Assets	\$ 1,132,525	\$ 1,213,025	\$ (80,500)	-7%
Noncurrent Assets	\$ 1,525,245	\$ 1,665,999	\$ (140,754)	-8%
Total Assets	\$ 2,657,770	\$ 2,879,024	\$ (221,254)	-8%
Current Liabilities	\$ 63,140	\$ 74,185	\$ (11,045)	-15%
Noncurrent Liabilities	\$ 3,263	\$ 4,020	\$ (757)	-19%
Total Liabilities	\$ 66,403	\$ 78,205	\$ (11,802)	-15%
Unrestricted	\$ 1,054,499	\$ 1,065,365	\$ (10,866)	-1%
Restricted	\$ 11,623	\$ 69,455	\$ (57,832)	-83%
Investment in Capital Assets	\$ 1,525,245	\$ 1,665,999	\$ (140,754)	-8%
Total Net Position	\$ 2,591,367	\$ 2,800,819	\$ (209,452)	-7%

#### ***Current Assets***

Current assets decreased by \$80,500. This decrease is attributed primarily to a decrease in cash and investments from \$1,194,655 in 2012 to \$1,093,042, a decrease of \$101,613 for the current fiscal year.

#### ***Noncurrent Assets***

Noncurrent assets decreased by \$140,754 due to depreciation expense exceeded capital purchases.

#### ***Net Position***

The overall net financial position of the Commission has decreased by \$209,452 from the previous year. The decrease was due primarily to lower operating and capital grant funding.

The restricted component of the financial positions held for HAP payments decreased by \$57,832 due to costs exceeding funding provided by HUD for the current fiscal year.



## ***Management's Discussion and Analysis-Cont.***

The Commission's unrestricted component of net position changed from \$1,065,365 to \$1,054,499, a decrease of \$10,866, or 1% for the current year. The primary reason for the decrease was due to excess operating expenditures over operating revenues for the current year. The unrestricted component of net position is the amount available for future appropriations. This balance is subject to program specific guidelines. Individual program balances that comprise the unrestricted component of net position are as follows:

Low Rent Housing Program	\$ 998,851
Section 8 Housing Choice Voucher Program:	
Administrative Funding	53,148
Management Fund Program	<u>2,500</u>
Total Unrestricted Net Financial Position	<u>\$ 1,054,499</u>

The table below summarizes the overall operations for the past two years for the years ending June 30, 2013, and June 30, 2012.

### ***Summary Statement of Revenues & Expenses and Changes in Net Position Years Ended June 30, 2013 and 2012***

<u>Category</u>	<u>FYE 2013</u>	<u>FYE 2012</u>	<u>Change \$</u>	<u>Change %</u>
Tenant Revenue	\$ 412,332	\$ 427,011	\$ (14,679)	-3%
HUD Operating Grants	\$ 227,194	\$ 292,192	\$ (64,998)	-22%
Capital Grants	\$ 31,275	\$ 44,085	\$ (12,810)	-29%
Interest Income - Unrestricted	\$ 2,351	\$ 5,941	\$ (3,590)	-60%
Other Revenue	\$ 13,661	\$ 33,451	\$ (19,790)	-59%
Total Revenue	\$ 686,813	\$ 802,680	\$ (115,867)	-14%
Administration	\$ 157,025	\$ 174,605	\$ (17,580)	-10%
Tenant Services	\$ 24,410	\$ 26,568	\$ (2,158)	-8%
Utilities	\$ 71,421	\$ 66,609	\$ 4,812	7%
Ordinary Maintenance	\$ 138,251	\$ 138,854	\$ (603)	0%
Insurance Expense	\$ 18,739	\$ 18,078	\$ 661	4%
General Expense	\$ 80,779	\$ 54,522	\$ 26,257	48%
Housing Assistance Payments	\$ 192,842	\$ 277,874	\$ (85,032)	-31%
Depreciation	\$ 212,798	\$ 212,195	\$ 603	0%
			\$ -	
Total Expenses	\$ 896,265	\$ 969,305	\$ (73,040)	-8%
Excess of Revenue over Expenses	\$ (209,452)	\$ (166,625)	\$ (42,827)	26%
Net Position, Beginning of Year	\$ 2,800,819	\$ 2,967,444	\$ (166,625)	-6%
Net Position, End of Year	\$ 2,591,367	\$ 2,800,819	\$ (209,452)	-7%

## ***Management's Discussion and Analysis-Cont.***

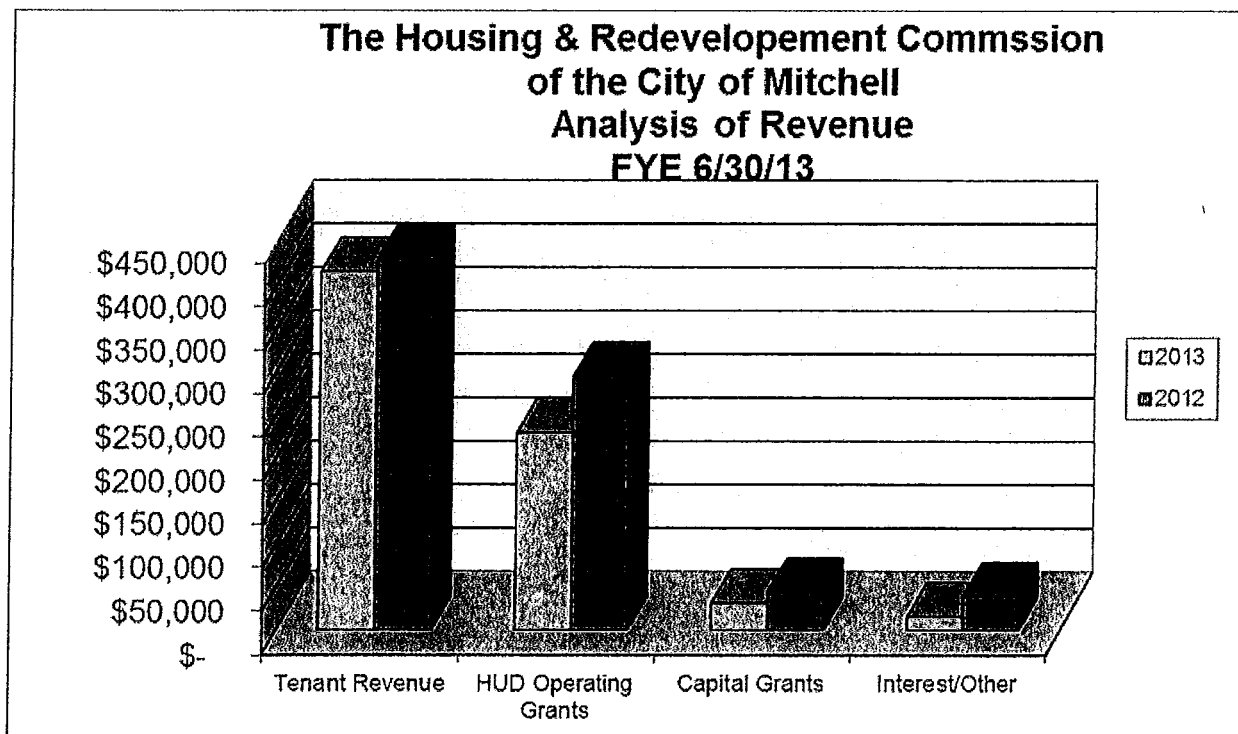
### ***Results of Operations***

Revenues of the Commission are generated principally from dwelling rents and HUD grants. The Commission's revenue decreased by \$115,867 during the current fiscal year as compared to the previous year amounts. This is primarily due to a decrease in HUD Operating Grants in the Housing Choice Voucher Program. Grant income, received from HUD, decreased by \$64,998 from the previous year for this program. Capital grant revenue decreased by \$12,810 from the previous year due to reduced activity and lower funding levels provided by HUD.

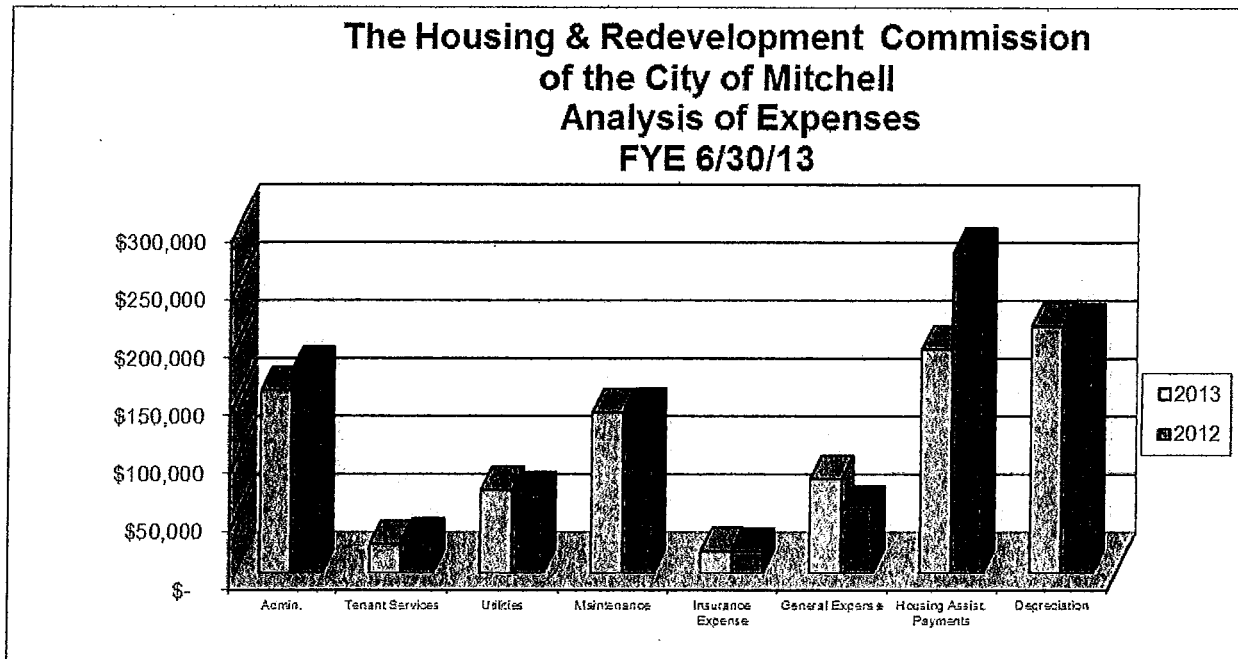
Total expenses decreased by \$73,040. Significant differences between the years include:

- Administrative costs decreased by \$17,580 from the previous year primarily due to one staffing cuts. These costs decreased by \$8,426 from the previous year.
- General expense increased from \$54,522 in 2012 to \$80,779 in 2013 due to an increase in extraordinary maintenance expense of \$35,395.
- HAP Payments decreased by \$85,032 due to lower unit months leased. The Housing Choice Voucher Program unit months leased decreased from 1,100 units in 2012 to 923 units in 2013.

We have provided the following presentations to demonstrate the revenues and expenses by summarized account category:



## *Management's Discussion and Analysis-Cont.*



### **Capital Assets**

As of June 30, 2013, the Housing & Redevelopment Commission of the City of Mitchell's net investment in capital assets was \$1,525,245. This investment includes land, building, equipment, and construction in progress.

Category	FYE 2013	FYE 2012	Change \$	Change %
Land	\$ 20,239	\$ 20,239	\$ -	0%
Buildings	\$ 5,535,337	\$ 5,470,539	\$ 64,798	1%
Equipment	\$ 318,344	\$ 311,098	\$ 7,246	2%
Accumulated Depreciation	\$ (4,348,675)	\$ (4,135,877)	\$ (212,798)	5%
Total Net Fixed Assets	\$ 1,525,245	\$ 1,665,999	\$ (140,754)	-8%

- Buildings increased due to the completion of projects related to installing new exterior doors funded by the 2011 Capital Fund Program awards and lobby/entry remodels funded by the operating fund.
- Equipment increased due to the purchase of a new floor scrubber funded by the operating fund and 2 commercial dryers funded by the 2011 Capital Fund Program awards.

## ***Management's Discussion and Analysis-Cont.***

### **Long Term Debt Liabilities**

The Commission classifies a portion of the employee's leave as long term debt. This is because the Commission does not anticipate paying out the total amount accrued in the upcoming fiscal year. The amount estimated as long term was \$3,263, a net decrease of \$757 from the previous year.

### **Economic Factors and Next Year's Budget**

The Commission's operating subsidy provided by HUD for the Low Rent Housing Program was prorated to 81.86% for the calendar year 2013.

The amount of funding for the 2013 calendar year funding for the Housing Choice Voucher released by HUD include proration levels of 69% for administrative fee funding and 94% funding for HAP. These funding levels will result in lower revenues resulting in a decreased level of services supported during the upcoming fiscal year.

### **Request for Information**

This financial report is designed to provide a general overview of the Commission's accountability for all those interested.

If you should have additional questions regarding the financial information, you can contact our office in writing at the following address:

The Housing & Redevelopment Commission of the City of Mitchell  
Tammy Frost, Executive Director  
200 East 15th  
Mitchell, SD 57301

**THE HOUSING AND REDEVELOPMENT COMMISSION  
OF THE CITY OF MITCHELL, SOUTH DAKOTA, A COMPONENT UNIT  
OF THE CITY OF MITCHELL, SOUTH DAKOTA**

**BALANCE SHEET  
JUNE 30, 2013**

**ASSETS**

Current assets:

Cash	\$ 510,041
Restricted cash	21,773
Certificates of deposit	583,001
Accounts receivable - tenants, less allowance for doubtful accounts of \$2	40
Accounts receivable - fraud, less allowance for doubtful accounts of \$8,650	-
Interest receivable	600
Prepaid expenses and other assets	16,474
Inventories, less allowance for obsolete inventories of \$66	596
Total current assets	<u>1,132,525</u>

Noncurrent assets:

Capital assets:

Land	20,239
Buildings and improvements	5,535,337
Furniture and equipment	318,344
Accumulated depreciation	<u>(4,348,675)</u>
Total noncurrent assets	<u>1,525,245</u>

Total assets \$ 2,657,770

**LIABILITIES AND NET POSITION**

Current liabilities:

Accounts payable - vendors	\$ 1,536
Accrued payroll and payroll liabilities	93
Accounts payable - HUD	219
Due to other governments	30,810
Tenant security deposits	10,150
Deferred revenue	9,531
Other accrued liabilities	5,279
Current portion of noncurrent liabilities:	
Accrued compensated absences	<u>5,522</u>
Total current liabilities	<u>63,140</u>

Noncurrent liabilities:

Accrued compensated absences	<u>3,263</u>
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Total Liabilities 66,403

Net position:

Investment in capital assets	1,525,245
Restricted for:	
Excess housing assistance payments	11,623
Unrestricted	<u>1,054,499</u>
Total net position	<u>2,591,367</u>

Total liabilities and net position \$ 2,657,770

The accompanying notes are an integral part  
of these financial statements.

**THE HOUSING AND REDEVELOPMENT COMMISSION  
OF THE CITY OF MITCHELL, SOUTH DAKOTA, A COMPONENT UNIT  
OF THE CITY OF MITCHELL, SOUTH DAKOTA**

**STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN FUND NET POSITION  
FOR THE YEAR ENDED JUNE 30, 2013**

**OPERATING REVENUES**

Rental income	\$ 379,517
Tenant revenue - other	42,866
Fraud recovery	<u>1,290</u>
Total operating revenues	<u>423,673</u>

**OPERATING EXPENSES**

Administration	157,025
Tenant services	24,410
Utilities	71,421
Maintenance and operation	173,646
General expense	64,123
Housing assistance payments	192,842
Depreciation	<u>212,798</u>
Total operating expenses	<u>896,265</u>
Operating (loss)	<u>(472,592)</u>

**NONOPERATING REVENUES AND EXPENSES**

HUD PHA grants	227,194
Other revenue - insurance proceeds	2,320
Investment income	<u>2,351</u>
Total nonoperating revenues	<u>231,865</u>
Income before contributions	(240,727)
Capital contributions	<u>31,275</u>
Change in net assets	(209,452)
Net position - beginning of year	<u>2,800,819</u>
Net position - end of year	<u>\$ 2,591,367</u>

The accompanying notes are an integral part  
of these financial statements.

**THE HOUSING AND REDEVELOPMENT COMMISSION  
OF THE CITY OF MITCHELL, SOUTH DAKOTA, A COMPONENT UNIT  
OF THE CITY OF MITCHELL, SOUTH DAKOTA**

STATEMENT OF CASH FLOWS (PAGE 1 OF 2)  
FOR THE YEAR ENDED JUNE 30, 2013

**CASH FLOWS FROM OPERATING ACTIVITIES**

Receipts from customers	\$ 418,391
Payments from tenants through escrow	325
Payments to employees	(191,971)
Payments to others for goods and services	(280,462)
Payments in lieu of taxes	(31,493)
Housing assistance payments	<u>(192,842)</u>

Net cash (used in) operating activities	<u>(278,052)</u>
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**CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES**

Operating grants received	234,311
Other revenue - insurance proceeds	<u>2,320</u>

Net cash provided by noncapital financing activities	<u>236,631</u>
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**CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES**

Acquisition of capital assets	(72,044)
Capital grants received	<u>31,275</u>

Net cash (used in) capital and related financing activities	<u>(40,769)</u>
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**CASH FLOWS FROM INVESTING ACTIVITIES**

Purchase of certificates of deposit	(1,759)
Interest income	<u>2,351</u>

Net cash provided by investing activities	<u>592</u>
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Net (decrease) in cash	(81,598)
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Balances - beginning of the year	<u>613,412</u>
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Balances - end of the year	<u><u>\$ 531,814</u></u>
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**RECONCILIATION OF CASH TO THE BALANCE SHEET**

Cash	\$ 510,041
Restricted cash	<u>21,773</u>
Total cash	<u><u>\$ 531,814</u></u>

The accompanying notes are an integral part  
of these financial statements.

**THE HOUSING AND REDEVELOPMENT COMMISSION  
OF THE CITY OF MITCHELL, SOUTH DAKOTA, A COMPONENT UNIT  
OF THE CITY OF MITCHELL, SOUTH DAKOTA**

STATEMENT OF CASH FLOWS PAGE (2 OF 2)  
FOR THE YEAR ENDED JUNE 30, 2013

<b>Reconciliation of operating (loss) to net cash (used in)</b>	
<b>operating activities:</b>	
Operating (loss)	\$ (472,592)
Adjustments to reconcile operating (loss) to net cash	
(used in) operating activities:	
Depreciation expense	212,798
Change in operating assets and liabilities:	
(Increase) decrease in:	
Accounts receivable - tenants	164
Accounts receivable - fraud	644
Prepaid expenses	(1,999)
Inventory	1,852
Increase (decrease) in:	
Accounts payable - vendor	(6,905)
Other accrued liabilities	(2,920)
Accrued compensated absences	(2,646)
Payments in lieu of taxes	(683)
Prepaid rents	(6,090)
Tenant security deposits	<u>325</u>
Net cash (used in) operating activities	<u>\$ (278,052)</u>

The accompanying notes are an integral part  
of these financial statements.



**THE HOUSING AND REDEVELOPMENT COMMISSION  
OF THE CITY OF MITCHELL, SOUTH DAKOTA, A COMPONENT UNIT  
OF THE CITY OF MITCHELL, SOUTH DAKOTA**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2013**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Reporting Entity**

The Housing and Redevelopment Commission of the City of Mitchell, South Dakota (the Commission) was created in 1967 pursuant to the Municipal Housing and Redevelopment Act of South Dakota as a public housing agency formed to provide financial assistance for low income public housing pursuant to the United States Housing Act of 1937, (42 U.S.C. 1401, et seq.). The Mayor of the City appoints, with the approval of the City Council, the five members of the governing board for five-year staggered terms. The public housing authority (PHA) board elects its own chairperson and recruits and employs its management personnel and other workers. The local governing board of the City of Mitchell, South Dakota has the ability to veto or otherwise modify a housing commission's decision to construct a specific project and issue debt.

The primary government is the City of Mitchell, South Dakota.

The Governmental Accounting Standards Board (GASB) establishes the criteria for defining and reporting on the financial reporting entity. It defines component units as legally separate organizations for which the elected officials of the primary government are financially accountable and other organizations for which the nature and significance of their relationship with a primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The Commission considered all potential component units in determining what organizations should be included in the financial statements. Based on these criteria, there are no component units to include the Commission's financial statements.

**Nature of Business**

The Commission administers various low-income housing assistance payment programs in Mitchell, South Dakota. PAS/LOCCS Project No. SD014-001 operates 112 units; and Project No. SD014V is authorized to operate 116 units under the Section 8 Housing Choice Voucher Program.

**THE HOUSING AND REDEVELOPMENT COMMISSION  
OF THE CITY OF MITCHELL, SOUTH DAKOTA, A COMPONENT UNIT  
OF THE CITY OF MITCHELL, SOUTH DAKOTA**

**NOTES TO FINANCIAL STATEMENTS - continued  
JUNE 30, 2013**

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued**

**Basis of Presentation**

All activities of the Commission are accounted for within a single proprietary (enterprise) fund. Proprietary funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

**Measurement Focus and Basis of Accounting**

Measurement focus refers to what is being measured, basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the balance sheet and the operating statement present increases (revenues) and decreases (expenses) in net total assets. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recognized at the time the liability is incurred.

**Cash and Cash Equivalents**

For purposes of financial statement reporting, the Housing Commission considers all highly liquid investments (including restricted assets) with an original maturity of three months or less when purchased to be cash equivalents. Certificates of deposit, regardless of maturity, are not considered to be cash equivalents.

**THE HOUSING AND REDEVELOPMENT COMMISSION  
OF THE CITY OF MITCHELL, SOUTH DAKOTA, A COMPONENT UNIT  
OF THE CITY OF MITCHELL, SOUTH DAKOTA**

**NOTES TO FINANCIAL STATEMENTS - continued  
JUNE 30, 2013**

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued**

**Accounts Receivable**

All tenants accounts receivable are shown net of an allowance for doubtful accounts. The allowance is comprised of receivables from vacated tenants.

**Capital Assets**

All acquisitions of property and equipment in excess of \$1,000 and all expenditures for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized.

Capital assets are recorded at cost. Donated capital assets are valued at their estimated fair value on the date donated. Interest costs incurred during construction of capital assets are capitalized along with other capital asset costs. Depreciation is computed principally by the straight-line method over the following estimated useful lives:

	<u>Years</u>
Buildings	20 - 40
Building improvements	10 - 40
Furniture and fixtures	5 - 10
Equipment	3 - 10

**Operating Revenues and Expenses**

Operating revenues are those revenues that are generated directly from the primary activity of the entity. For the Commission, these revenues are charges for dwelling rents. Operating expenses are the necessary costs incurred to provide the service that is the primary activity of the entity. Revenues and expenses not meeting these definitions are reported as nonoperating. The primary nonoperating revenue is HUD PHA grants.

**THE HOUSING AND REDEVELOPMENT COMMISSION  
OF THE CITY OF MITCHELL, SOUTH DAKOTA, A COMPONENT UNIT  
OF THE CITY OF MITCHELL, SOUTH DAKOTA**

**NOTES TO FINANCIAL STATEMENTS - continued  
JUNE 30, 2013**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued**

**Use of Estimates**

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expense during the reporting period. Actual results could differ from those estimates.

**Equity Classifications**

Equity is classified as net position and displayed in three components:

- a. Investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions of enabling legislation.
- c. Unrestricted net position - All other net position that does not meet the definition of "restricted" or "investment in capital assets".

**Application of Net Position**

It is the Commission's policy to first use restricted net position (if any), prior to the use of unrestricted net position, when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

**2. DEPOSITS AND INVESTMENTS**

Various restrictions on deposits and investments are imposed by statutes. These restrictions are summarized below:

**THE HOUSING AND REDEVELOPMENT COMMISSION  
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**NOTES TO FINANCIAL STATEMENTS - continued  
JUNE 30, 2013**

**2. DEPOSITS AND INVESTMENTS, continued**

**Deposits** - The housing authority deposits are made in qualified public depositories as defined by SDCL 4-6A-1. Qualified depositories are required by SDCL 4-6A-3 to maintain at all times; segregated from their other assets, eligible collateral having a value equal to at least 100 percent of the public deposit accounts which exceed deposit insurance such as the FDIC and NCUA. In lieu of pledging eligible securities, a qualified public depository may furnish irrevocable standby letters of credit issued by federal home loan banks accompanied by written evidence of that bank's public debt rating which may not be less than "AA" or a qualified public depository may furnish a corporate surety bond of a corporation authorized to do business in South Dakota.

**Investments** - As stated in SDCL 11-7-31, a commission shall have power to invest any funds held in reserves or debt service funds, or any funds not required for immediate disbursement, in property or securities in which savings banks may legally invest funds subject to their control. In general, SDCL 4-5-6 permits housing authority funds to be invested in (a) securities of the United States and securities guaranteed by the United States government either directly or indirectly; or (b) repurchase agreements fully collateralized by securities described in (a); or in shares of an open-end, no-load fund administered by an investment company whose investments are in securities described in (a) and repurchase agreements described in (b). Also, SDCL 4-5-9 requires that investments shall be in the physical custody of the political subdivision or may be deposited in a safekeeping account with any bank or trust company designated by the political subdivision as its fiscal agent.

**Custodial Credit Risk - Deposits** - The risk that, in the event of a depository failure, the Commission's deposits may not be returned to it. The Commission has adopted an investment policy, but it does not address custodial credit risk for deposits. As of June 30, 2013, the Commission's deposits were fully insured or collateralized.

**Investments** - As of June 30, 2013, the Commission had no investments.

**Authorized Investments by the Commission** - The Commission does have a formal investment policy, but it does not limit investments beyond those imposed by statutes.

**THE HOUSING AND REDEVELOPMENT COMMISSION  
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NOTES TO FINANCIAL STATEMENTS - continued  
JUNE 30, 2013

2. DEPOSITS AND INVESTMENTS, continued

**Interest Rate Risk** – The Commission does have a formal investment policy, but it does limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

**Credit Risk** – State law limits eligible investments for the Commission, as discussed above. The Commission has a formal investment policy, but it does not further limit its investment choices. As of June 30, 2013, the Commission had no investments.

**Concentration of Credit Risk** – The Commission places no limit on the amount that may be invested in any one issuer. As of June 30, 2013, the Commission had no investments.

3. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2013, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
<i>Capital assets not being depreciated:</i>				
Land	\$ 20,239	\$ -	\$ -	\$ 20,239
Total capital assets not being depreciated	20,239	-	-	20,239
<i>Capital assets being depreciated:</i>				
Buildings and improvements	5,470,539	64,798	-	5,535,337
Equipment	311,098	7,246	-	318,344
Total capital assets being depreciated	5,781,637	72,044	-	5,853,681
Less accumulated depreciation for:				
Buildings and improvements	3,901,979	187,557	-	4,089,536
Equipment	233,898	25,241	-	259,139
Total accumulated depreciation	4,135,877	212,798	-	4,348,675
Total capital assets being depreciated, net	1,645,760	(140,754)	-	1,505,006
Capital assets, net	<u>\$ 1,665,999</u>	<u>\$ (140,754)</u>	<u>\$ -</u>	<u>\$ 1,525,245</u>

4. PAYMENTS IN LIEU OF TAXES

Payments in lieu of taxes at June 30, 2013 were \$31,493. The payments are 10% of gross rents less utilities.

**THE HOUSING AND REDEVELOPMENT COMMISSION  
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OF THE CITY OF MITCHELL, SOUTH DAKOTA**

NOTES TO FINANCIAL STATEMENTS - continued  
JUNE 30, 2013

5. LONG-TERM LIABILITIES

A summary of changes in long-term liabilities follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Compensated absences	<u>\$ 11,431</u>	<u>\$ 12,526</u>	<u>\$ 15,172</u>	<u>\$ 8,785</u>	<u>\$ 5,500</u>

6. RESTRICTED NET POSITION

The following table shows the net position restricted for excess housing assistance payments:

<u>Project</u>	<u>Restricted By</u>	<u>Amount</u>
Housing Choice Vouchers	Grantor Agency	<u>\$ 11,623</u>
Total Restricted Net Position		<u>\$ 11,623</u>

7. RETIREMENT PLAN

All employees, except for part-time employees who work less than twenty hours per week and temporary employees, participate in the South Dakota Retirement System (SDRS), a cost-sharing, multiple employer public employee retirement system established to provide retirement benefits for employees of the State of South Dakota and its political subdivisions. The SDRS provides retirement, disability, and survivors' benefits. The right to receive retirement benefits vests after three years of credited service. Authority for establishing, administering and amending plan provisions are found in South Dakota Codified Law 3-12. The SDRS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the SDRS, P.O. Box 1098, Pierre, South Dakota 57501-1098 or by calling (605) 773-3731.

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**NOTES TO FINANCIAL STATEMENTS - continued  
JUNE 30, 2013**

**7. RETIREMENT PLAN, continued**

General employees are required by state statute to contribute 6% of their salary to the plan. State statute also requires the employer to contribute an amount equal to the employee's contribution. State statute also requires the employer to make an additional contribution in the amount of 6.2 percent for any compensation exceeding the maximum taxable amount for social security for general employees only. The Commission's share of contributions to the SDRS for the fiscal years ended June 30, 2013, 2012 and 2011 was \$9,113, \$9,781 and \$9,224 respectively, equal to the required contributions each year.

**8. RISK MANAGEMENT**

The Commission is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees, and natural disasters. During the period ended June 30, 2013 the Commission managed its risks as follows:

**Employee Health Insurance**

The Commission purchases health insurance for its employees from a commercial insurance carrier. Settled claims resulting from these risks have not exceeded the liability coverage during the past three years.

**Liability Insurance**

The Commission purchases liability insurance risks related to torts, theft, or damage to property; and errors and omissions of public officials from a commercial insurance carrier. Settled claims resulting from these risks have not exceeded the liability coverage during the past three years.

**Worker's Compensation**

The Commission purchases liability insurance for worker's compensation from a commercial carrier. Settled claims resulting from these risks have not exceeded the liability coverage during the past three years.



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NOTES TO FINANCIAL STATEMENTS - continued  
JUNE 30, 2013

8. **RISK MANAGEMENT**, continued

**Unemployment Benefits**

The Commission provides coverage for unemployment benefits by paying into the unemployment compensation fund established by state law and managed by the State of South Dakota.

## **SUPPLEMENTARY INFORMATION**

THE HOUSING AND REDEVELOPMENT COMMISSION OF THE CITY OF MITCHELL, SOUTH DAKOTA  
Financial Data Schedule  
For the Year Ended June 30, 2013

Line Item No.	Description	Total Programs	Elimination	14.850a	14.871	14.239
				Total Low Rent and Capital Fund	Housing Choice Vouchers	HOME Investment Partnership Program
	<b>Balance Sheet</b>					
111	Cash-unrestricted	\$ 1,093,042	\$ -	\$ 1,029,515	\$ 61,027	\$ 2,500
112	Cash-restricted-modernization and development	\$ -	\$ -	\$ -	\$ -	\$ -
113	Cash-other restricted	\$ 11,623	\$ -	\$ -	\$ 11,623	\$ -
114	Cash-tenant security deposits	\$ 10,150	\$ -	\$ 10,150	\$ -	\$ -
115	Cash - Restricted for payment of current liability	\$ -	\$ -	\$ -	\$ -	\$ -
100	<b>Total Cash</b>	<b>\$ 1,114,815</b>	<b>\$ -</b>	<b>\$ 1,039,665</b>	<b>\$ 72,650</b>	<b>\$ 2,500</b>
121	Accounts receivable - PHA projects	\$ -	\$ -	\$ -	\$ -	\$ -
122	Accounts receivable - HUD other projects	\$ -	\$ -	\$ -	\$ -	\$ -
122-010	Accounts receivable - HUD other projects - Operating Subsidy	\$ -	\$ -	\$ -	\$ -	\$ -
122-020	Accounts receivable - HUD other projects - Capital fund	\$ -	\$ -	\$ -	\$ -	\$ -
122-030	Accounts receivable - HUD other projects - Other	\$ -	\$ -	\$ -	\$ -	\$ -
	<b>Total Accounts receivable - HUD other projects</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
124	Account receivable - other government	\$ -	\$ -	\$ -	\$ -	\$ -
125	Accounts receivable - miscellaneous	\$ -	\$ -	\$ -	\$ -	\$ -
125-010	Account receivable - miscellaneous - Not For Profit	\$ -	\$ -	\$ -	\$ -	\$ -
125-020	Account receivable - miscellaneous - Partnership	\$ -	\$ -	\$ -	\$ -	\$ -
125-030	Account receivable - miscellaneous - Joint Venture	\$ -	\$ -	\$ -	\$ -	\$ -
125-040	Account receivable - miscellaneous - Tax Credit	\$ -	\$ -	\$ -	\$ -	\$ -
125-050	Account receivable - miscellaneous - Other	\$ -	\$ -	\$ -	\$ -	\$ -
125-060	Other - Comment					
	<b>Total Account receivable - miscellaneous</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
126	Accounts receivable - tenants	\$ 42	\$ -	\$ 42	\$ -	\$ -
126.1	Allowance for doubtful accounts - tenants	\$ (2)	\$ -	\$ (2)	\$ -	\$ -
126.2	Allowance for doubtful accounts - other	\$ -	\$ -	\$ -	\$ -	\$ -
127	Notes, Loans, & Mortgages Receivable - Current	\$ -	\$ -	\$ -	\$ -	\$ -
128	Fraud recovery	\$ 8,650	\$ -	\$ -	\$ 8,650	\$ -
128.1	Allowance for doubtful accounts - fraud	\$ (8,650)	\$ -	\$ -	\$ (8,650)	\$ -
129	Accrued interest receivable	\$ 600	\$ -	\$ 600	\$ -	\$ -
120	<b>Total receivables, net of allowance for doubtful accounts</b>	<b>\$ 640</b>	<b>\$ -</b>	<b>\$ 640</b>	<b>\$ -</b>	<b>\$ -</b>
131	Investments - unrestricted	\$ -	\$ -	\$ -	\$ -	\$ -
132	Investments - restricted	\$ -	\$ -	\$ -	\$ -	\$ -
135	Investments - Restricted for payment of current liability	\$ -	\$ -	\$ -	\$ -	\$ -
142	Prepaid expenses and other assets	\$ 16,474	\$ -	\$ 15,718	\$ 756	\$ -
143	Inventories	\$ 662	\$ -	\$ 662	\$ -	\$ -
143.1	Allowance for obsolete inventories	\$ (66)	\$ -	\$ (66)	\$ -	\$ -
144	Inter program - due from	\$ -	\$ -	\$ -	\$ -	\$ -
145	Assets held for sale	\$ -	\$ -	\$ -	\$ -	\$ -
150	<b>Total Current Assets</b>	<b>\$ 1,132,525</b>	<b>\$ -</b>	<b>\$ 1,056,619</b>	<b>\$ 73,406</b>	<b>\$ 2,500</b>
161	Land	\$ 20,239	\$ -	\$ 20,239	\$ -	\$ -
162	Buildings	\$ 5,535,337	\$ -	\$ 5,535,337	\$ -	\$ -
163	Furniture, equipment and machinery - dwellings	\$ 83,720	\$ -	\$ 83,720	\$ -	\$ -
164	Furniture, equipment and machinery - administration	\$ 234,624	\$ -	\$ 234,624	\$ -	\$ -
165	Leasehold improvements	\$ -	\$ -	\$ -	\$ -	\$ -
166	Accumulated depreciation	\$ (4,348,675)	\$ -	\$ (4,348,675)	\$ -	\$ -
167	Construction in progress	\$ -	\$ -	\$ -	\$ -	\$ -
168	Infrastructure	\$ -	\$ -	\$ -	\$ -	\$ -
160	<b>Total capital assets, net of accumulated depreciation</b>	<b>\$ 1,525,245</b>	<b>\$ -</b>	<b>\$ 1,525,245</b>	<b>\$ -</b>	<b>\$ -</b>

THE HOUSING AND REDEVELOPMENT COMMISSION OF THE CITY OF MITCHELL, SOUTH DAKOTA  
Financial Data Schedule  
For the Year Ended June 30, 2013

Line Item No.	Description	Total Programs	Elimination	14.850a	14.871	14.239
				Total Low Rent and Capital Fund	Housing Choice Vouchers	HOME Investment Partnership Program
171	Notes, Loans, & mortgages receivable - Non-current	\$ -		\$ -		
171-010	Notes, Loans, & mortgages receivable - Non-current - Not For Profit	\$ -	\$ -	\$ -	\$ -	\$ -
171-020	Notes, Loans, & mortgages receivable - Non-current - Partnership	\$ -	\$ -	\$ -	\$ -	\$ -
171-030	Notes, Loans, & mortgages receivable - Non-current - Joint Venture	\$ -	\$ -	\$ -	\$ -	\$ -
171-040	Notes, Loans, & mortgages receivable - Non-current - Tax Credit	\$ -	\$ -	\$ -	\$ -	\$ -
171-050	Notes, Loans, & mortgages receivable - Non-current - Other	\$ -	\$ -	\$ -	\$ -	\$ -
171-060	Other - Comment					
	<b>Notes, Loans, &amp; mortgages receivable - Non-current</b>	\$ -	\$ -	\$ -	\$ -	\$ -
172	Notes, Loans, & mortgages receivable - Noncurrent - past due	\$ -	\$ -	\$ -	\$ -	\$ -
172-010	Notes, Loans, & mortgages receivable - Non-current - past due - Not For Profit	\$ -	\$ -	\$ -	\$ -	\$ -
172-020	Notes, Loans, & mortgages receivable - Non-current - Partnership	\$ -	\$ -	\$ -	\$ -	\$ -
172-030	Notes, Loans, & mortgages receivable - Non-current - Joint Venture	\$ -	\$ -	\$ -	\$ -	\$ -
172-040	Notes, Loans, & mortgages receivable - Non-current - Tax Credit	\$ -	\$ -	\$ -	\$ -	\$ -
172-050	Notes, Loans, & mortgages receivable - Non-current - Other	\$ -	\$ -	\$ -	\$ -	\$ -
172-060	Other - Comment					
	<b>Notes, Loans, &amp; mortgages receivable - Non-current - past due</b>	\$ -	\$ -	\$ -	\$ -	\$ -
173	Grants receivable - Non-current	\$ -	\$ -	\$ -	\$ -	\$ -
174	Other assets	\$ -	\$ -	\$ -		
174-010	Other assets - Not For Profit	\$ -	\$ -	\$ -	\$ -	\$ -
174-020	Other assets - Partnership	\$ -	\$ -	\$ -	\$ -	\$ -
174-030	Other assets - Joint Venture	\$ -	\$ -	\$ -	\$ -	\$ -
174-040	Other assets - Tax Credit	\$ -	\$ -	\$ -	\$ -	\$ -
174-050	Other assets - Other	\$ -	\$ -	\$ -	\$ -	\$ -
174-060	Other - Comment					
	<b>Other assets</b>	\$ -	\$ -	\$ -	\$ -	\$ -
176	Investment in joint venture	\$ -	\$ -	\$ -	\$ -	\$ -
176-010	Investment in Joint venture - Not For Profit	\$ -	\$ -	\$ -	\$ -	\$ -
176-020	Investment in Joint venture - Partnership	\$ -	\$ -	\$ -	\$ -	\$ -
176-030	Investment in Joint venture - Joint Venture	\$ -	\$ -	\$ -	\$ -	\$ -
176-040	Investment in Joint venture - Tax Credit	\$ -	\$ -	\$ -	\$ -	\$ -
176-050	Investment in Joint venture - Other	\$ -	\$ -	\$ -	\$ -	\$ -
176-060	Other - Comment					
	<b>Investment in joint venture</b>	\$ -	\$ -	\$ -	\$ -	\$ -
180	<b>Total Non-current Assets</b>	\$ 1,525,245	\$ -	\$ 1,525,245	\$ -	\$ -
190	<b>Total Assets</b>	\$ 2,657,770	\$ -	\$ 2,581,864	\$ 73,406	\$ 2,500
311	Bank overdraft	\$ -	\$ -	\$ -	\$ -	\$ -
312	Accounts payable <= 90 days	\$ 1,536	\$ -	\$ 1,334	\$ 202	\$ -
313	Accounts payable > 90 days past due	\$ -	\$ -	\$ -	\$ -	\$ -
321	Accrued wage/payroll taxes payable	\$ 93	\$ -	\$ 93	\$ -	\$ -
322	Accrued compensated absences - current portion	\$ 5,522	\$ -	\$ 4,930	\$ 592	\$ -
324	Accrued contingency liability	\$ -	\$ -	\$ -	\$ -	\$ -
325	Accrued interest payable	\$ -	\$ -	\$ -	\$ -	\$ -
331	Accounts payable - HUD PHA Programs	\$ -		\$ -		
331-010	Accounts payable - HUD PHA Programs - Operating Subsidy	\$ -	\$ -	\$ -	\$ -	\$ -
331-020	Accounts payable - HUD PHA Programs - Capital fund	\$ -	\$ -	\$ -	\$ -	\$ -
331-030	Accounts payable - HUD PHA Programs - Other	\$ 219	\$ -	\$ -	\$ 219	\$ -
	<b>Accounts payable - HUD PHA Programs</b>	\$ 219	\$ -	\$ -	\$ 219	\$ -

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Financial Data Schedule  
For the Year Ended June 30, 2013

Line Item No.	Description	Total Programs	Elimination	14.850a	14.871	14.239
				Total Low Rent and Capital Fund	Housing Choice Vouchers	HOME Investment Partnership Program
332	Accounts payable - PHA Projects	\$ -	\$ -	\$ -	\$ -	\$ -
333	Accounts payable - other government	\$ 30,810	\$ -	\$ 30,810	\$ -	\$ -
341	Tenant security deposits	\$ 10,150	\$ -	\$ 10,150	\$ -	\$ -
342	Deferred revenue	\$ -	\$ -	\$ -	\$ -	\$ -
342-010	Deferred revenue - Operating Subsidy	\$ 341	\$ -	\$ 341	\$ -	\$ -
342-020	Deferred revenue - Capital fund	\$ -	\$ -	\$ -	\$ -	\$ -
342-030	Deferred revenue - Other	\$ 9,190	\$ -	\$ 1,810	\$ 7,380	\$ -
	<b>Deferred revenue</b>	<b>\$ 9,531</b>	<b>\$ -</b>	<b>\$ 2,151</b>	<b>\$ 7,380</b>	<b>\$ -</b>
343	Current portin of long-term debt - capital projects/mortgage revenue bonds	\$ -	\$ -	\$ -	\$ -	\$ -
343-010	CFFP	\$ -	\$ -	\$ -	\$ -	\$ -
343-020	Capital Projects/ Mortgage Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	<b>Current portion of long-term debt - capital projects/mortgage revenue bonds</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
344	Current portion of long-term debt - operating borrowings	\$ -	\$ -	\$ -	\$ -	\$ -
345	Other current liabilities	\$ -	\$ -	\$ -	\$ -	\$ -
346	Accrued liabilities - other	\$ 5,279	\$ -	\$ 5,279	\$ -	\$ -
347	Inter program - due to	\$ -	\$ -	\$ -	\$ -	\$ -
348	Loan liability - current	\$ -	\$ -	\$ -	\$ -	\$ -
348-010	Loan liability - current - Not For Profit	\$ -	\$ -	\$ -	\$ -	\$ -
348-020	Loan liability - current - Partnership	\$ -	\$ -	\$ -	\$ -	\$ -
348-030	Loan liability - current - Joint Venture	\$ -	\$ -	\$ -	\$ -	\$ -
348-040	Loan liability - current - Tax Credit	\$ -	\$ -	\$ -	\$ -	\$ -
348-050	Loan liability - current - Other	\$ -	\$ -	\$ -	\$ -	\$ -
348-060	Other - Comment	\$ -	\$ -	\$ -	\$ -	\$ -
	<b>Loan liability - current</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
310	<b>Total Current Liabilities</b>	<b>\$ 63,140</b>	<b>\$ -</b>	<b>\$ 54,747</b>	<b>\$ 8,393</b>	<b>\$ -</b>
351	Capital Projects/Mortgage Revenue Bonds	\$ -	\$ -	\$ -	\$ -	\$ -
351-010	Long-term debt - CFFP	\$ -	\$ -	\$ -	\$ -	\$ -
351-020	Long-term - Capital Projects/ Mortgage Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	<b>Capital Projects/ Mortgage Revenue Bonds</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
352	Long-term debt, net of current - operating borrowings	\$ -	\$ -	\$ -	\$ -	\$ -
353	Non-current liabilities - other	\$ -	\$ -	\$ -	\$ -	\$ -
354	Accrued compensated absences- Non-current	\$ 3,263	\$ -	\$ 3,021	\$ 242	\$ -
355	Loan liability - Non-current	\$ -	\$ -	\$ -	\$ -	\$ -
355-010	Loan liability - Non-current - Not For Profit	\$ -	\$ -	\$ -	\$ -	\$ -
355-020	Loan liability - Non-current - Partnership	\$ -	\$ -	\$ -	\$ -	\$ -
355-030	Loan liability - Non-current - Joint Venture	\$ -	\$ -	\$ -	\$ -	\$ -
355-040	Loan liability - Non-current - Tax Credit	\$ -	\$ -	\$ -	\$ -	\$ -
355-050	Loan liability - Non-current - Other	\$ -	\$ -	\$ -	\$ -	\$ -
355-060	Other - Comment	\$ -	\$ -	\$ -	\$ -	\$ -
	<b>Loan liability - Non-current</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
356	FASB 5 Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -
357	Accrued Pension and OPEB Liability	\$ -	\$ -	\$ -	\$ -	\$ -
350	<b>Total Non-current liabilities</b>	<b>\$ 3,263</b>	<b>\$ -</b>	<b>\$ 3,021</b>	<b>\$ 242</b>	<b>\$ -</b>
300	<b>Total Liabilities</b>	<b>\$ 66,403</b>	<b>\$ -</b>	<b>\$ 57,768</b>	<b>\$ 8,635</b>	<b>\$ -</b>
508.1	Invested in capital assets, net of related debt	\$ 1,525,245	\$ -	\$ 1,525,245	\$ -	\$ -
511.1	Restricted Net Assets	\$ 11,623	\$ -	\$ -	\$ 11,623	\$ -

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Financial Data Schedule  
For the Year Ended June 30, 2013

Line Item No.	Description	Total Programs	Elimination	14.850a	14.871	14.239
				Total Low Rent and Capital Fund	Housing Choice Vouchers	HOME Investment Partnership Program
512.1	Unrestricted Net Assets	\$ 1,054,499	\$ -	\$ 998,851	\$ 53,148	\$ 2,500
513	Total Equity/Net Assets	\$ 2,591,367	\$ -	\$ 2,524,096	\$ 64,771	\$ 2,500
600	Total Liabilities and Equity/Net assets	\$ 2,687,770	\$ -	\$ 2,581,864	\$ 73,406	\$ 2,500

THE HOUSING AND REDEVELOPMENT COMMISSION OF THE CITY OF MITCHELL, SOUTH DAKOTA

Financial Data Schedule  
For the Year Ended June 30, 2013

Line Item No.	Description	Total Programs	14.850a	14.872	14.871	14.239
			Low Rent	Capital Fund Program	Housing Choice Vouchers	HOME Investment Partnership Program
	<b>Income Statement</b>					
70300	Net tenant rental revenue	\$ 379,517	\$ 379,517	\$ -	\$ -	\$ -
70400	Tenant revenue - other	\$ 31,525	\$ 31,525	\$ -	\$ -	\$ -
70500	<b>Total Tenant Revenue</b>	\$ 411,042	\$ 411,042	\$ -	\$ -	\$ -
70600	HUD PHA operating grants	\$ 52,371	\$ 51,063	\$ 1,308	\$ -	\$ -
70600-010	Housing assistance payments	\$ 134,567	\$ -	\$ -	\$ 134,567	\$ -
70600-020	Ongoing administrative fees earned	\$ 40,256	\$ -	\$ -	\$ 40,256	\$ -
70600-030	Hard to house fee revenue	\$ -	\$ -	\$ -	\$ -	\$ -
70600-031	FSS Coordinator	\$ -	\$ -	\$ -	\$ -	\$ -
70600-040	Actual independent public accountant audit costs	\$ -	\$ -	\$ -	\$ -	\$ -
70600-050	Total preliminary fees earned	\$ -	\$ -	\$ -	\$ -	\$ -
70600-060	All other fees	\$ -	\$ -	\$ -	\$ -	\$ -
70600-070	Admin fee calculation description	\$ -	\$ -	\$ -	\$ -	\$ -
	<b>HUD PHA operating grants</b>	\$ 227,194	\$ 51,063	\$ 1,308	\$ 174,823	\$ -
70610	<b>Capital grants</b>	\$ 31,275	\$ -	\$ 31,275	\$ -	\$ -
70710	Management Fee	\$ -	\$ -	\$ -	\$ -	\$ -
70720	Asset Management Fee	\$ -	\$ -	\$ -	\$ -	\$ -
70730	Book-Keeping Fee	\$ -	\$ -	\$ -	\$ -	\$ -
70740	Front Line Service Fee	\$ -	\$ -	\$ -	\$ -	\$ -
70750	Other Fees	\$ -	\$ -	\$ -	\$ -	\$ -
70700	<b>Total Fee Revenue</b>	\$ -	\$ -	\$ -	\$ -	\$ -
70800	Other government grants	\$ -	\$ -	\$ -	\$ -	\$ -
71100	Investment income - unrestricted	\$ -	\$ -	\$ -	\$ -	\$ -
71100-010	Housing Assistance Payment	\$ -	\$ -	\$ -	\$ -	\$ -
71100-020	Administrative Fee	\$ 2,351	\$ 2,310	\$ -	\$ 41	\$ -
	<b>Investment income - unrestricted</b>	\$ 2,351	\$ 2,310	\$ -	\$ 41	\$ -
71200	Mortgage interest income	\$ -	\$ -	\$ -	\$ -	\$ -
71300	Proceeds from disposition of assets held for sale	\$ -	\$ -	\$ -	\$ -	\$ -
71310	Cost of sale of assets	\$ -	\$ -	\$ -	\$ -	\$ -
71400	Fraud recovery	\$ -	\$ -	\$ -	\$ -	\$ -
71400-010	Housing Assistance Payment	\$ 645	\$ -	\$ -	\$ 645	\$ -
71400-020	Administrative Fee	\$ 645	\$ -	\$ -	\$ 645	\$ -
	<b>Fraud recovery</b>	\$ 1,290	\$ -	\$ -	\$ 1,290	\$ -
71500	Other revenue	\$ 13,661	\$ 13,661	\$ -	\$ -	\$ -
71600	Gain or loss on sale of capital assets	\$ -	\$ -	\$ -	\$ -	\$ -
72000	Investment income - restricted	\$ -	\$ -	\$ -	\$ -	\$ -
72000-010	Housing Assistance Payment	\$ -	\$ -	\$ -	\$ -	\$ -
72000-020	Administrative Fee	\$ -	\$ -	\$ -	\$ -	\$ -
	<b>Investment income - restricted</b>	\$ -	\$ -	\$ -	\$ -	\$ -
70000	<b>Total Revenue</b>	\$ 686,813	\$ 478,076	\$ 32,583	\$ 176,154	\$ -
91100	Administrative salaries	\$ 88,561	\$ 72,616	\$ -	\$ 15,945	\$ -
91200	Auditing fees	\$ 10,155	\$ 8,936	\$ -	\$ 1,219	\$ -
91300	Management Fee	\$ -	\$ -	\$ -	\$ -	\$ -
91310	Book-Keeping Fee	\$ -	\$ -	\$ -	\$ -	\$ -
91400	Advertising and Marketing	\$ 343	\$ 302	\$ -	\$ 41	\$ -
91500	Employee benefit contributions - administrative	\$ 20,739	\$ 16,509	\$ -	\$ 4,230	\$ -
91600	Office Expenses	\$ 21,449	\$ 17,873	\$ -	\$ 3,576	\$ -
91700	Legal Expense	\$ -	\$ -	\$ -	\$ -	\$ -
91800	Travel	\$ 11,900	\$ 10,212	\$ -	\$ 1,688	\$ -

THE HOUSING AND REDEVELOPMENT COMMISSION OF THE CITY OF MITCHELL, SOUTH DAKOTA  
Financial Data Schedule  
For the Year Ended June 30, 2013

Line Item No.	Description	Total Programs	14.850a	14.872	14.871	14.239
			Low Rent	Capital Fund Program	Housing Choice Vouchers	HOME Investment Partnership Program
91810	Allocated Overhead	\$ -	\$ -	\$ -	\$ -	\$ -
91900	Other	\$ 3,878	\$ 3,487	\$ -	\$ 391	\$ -
91000	<b>Total Operating-Administrative</b>	\$ 157,025	\$ 129,935	\$ -	\$ 27,090	\$ -
92000	Asset Management Fee	\$ -	\$ -	\$ -	\$ -	\$ -
92100	Tenant services - salaries	\$ -	\$ -	\$ -	\$ -	\$ -
92200	Relocation Costs	\$ -	\$ -	\$ -	\$ -	\$ -
92300	Employee benefit contributions - tenant services	\$ -	\$ -	\$ -	\$ -	\$ -
92400	Tenant services - other	\$ 24,410	\$ 24,410	\$ -	\$ -	\$ -
92500	<b>Total Tenant Services</b>	\$ 24,410	\$ 24,410	\$ -	\$ -	\$ -
93100	Water	\$ 9,959	\$ 9,959	\$ -	\$ -	\$ -
93200	Electricity	\$ 36,931	\$ 36,931	\$ -	\$ -	\$ -
93300	Gas	\$ 17,638	\$ 17,638	\$ -	\$ -	\$ -
93400	Fuel	\$ -	\$ -	\$ -	\$ -	\$ -
93500	Labor	\$ -	\$ -	\$ -	\$ -	\$ -
93600	Sewer	\$ 6,893	\$ 6,893	\$ -	\$ -	\$ -
93700	Employee benefit contributions - utilities	\$ -	\$ -	\$ -	\$ -	\$ -
93800	Other utilities expense	\$ -	\$ -	\$ -	\$ -	\$ -
93000	<b>Total Utilities</b>	\$ 71,421	\$ 71,421	\$ -	\$ -	\$ -
94100	Ordinary maintenance and operations - labor	\$ 55,172	\$ 55,172	\$ -	\$ -	\$ -
94200	Ordinary maintenance and operations - materials and other	\$ 35,782	\$ 35,765	\$ -	\$ 17	\$ -
94300	Ordinary Maintenance and Operations Contracts	\$ -				
94300-010	Ordinary Maintenance and Operations Contracts - Garbage and Trash Removal Contracts	\$ 3,703	\$ 3,703	\$ -	\$ -	\$ -
94300-020	Ordinary Maintenance and Operations Contracts - Heating & Cooling Contracts	\$ 709	\$ 709	\$ -	\$ -	\$ -
94300-030	Ordinary Maintenance and Operations Contracts - Snow Removal Contracts	\$ 100	\$ 100	\$ -	\$ -	\$ -
94300-040	Ordinary Maintenance and Operations Contracts - Elevator Maintenance Contracts	\$ 8,337	\$ 8,337	\$ -	\$ -	\$ -
94300-050	Ordinary Maintenance and Operations Contracts - Landscape & Grounds Contracts	\$ 2,772	\$ 2,772	\$ -	\$ -	\$ -
94300-060	Ordinary Maintenance and Operations Contracts - Unit Turnaround Contracts	\$ 2,577	\$ 2,577	\$ -	\$ -	\$ -
94300-070	Ordinary Maintenance and Operations Contracts - Electrical Contracts	\$ 831	\$ 831	\$ -	\$ -	\$ -
94300-080	Ordinary Maintenance and Operations Contracts - Plumbing Contracts	\$ 3,055	\$ 3,055	\$ -	\$ -	\$ -
94300-090	Ordinary Maintenance and Operations Contracts - Extermination Contracts	\$ 1,440	\$ 1,440	\$ -	\$ -	\$ -
94300-100	Ordinary Maintenance and Operations Contracts - Janitorial Contracts	\$ 1,367	\$ 1,357	\$ -	\$ 10	\$ -
94300-110	Ordinary Maintenance and Operations Contracts - Routine Maintenance Contracts	\$ 1,272	\$ 1,272	\$ -	\$ -	\$ -
94300-120	Ordinary Maintenance and Operations Contracts - Misc Contracts	\$ 11,012	\$ 11,007	\$ -	\$ 5	\$ -
	<b>Ordinary Maintenance and Operations Contracts</b>	\$ 37,175	\$ 37,160	\$ -	\$ 15	\$ -
94500	Employee benefit contribution - ordinary maintenance	\$ 10,122	\$ 10,122	\$ -	\$ -	\$ -
94000	<b>Total Maintenance</b>	\$ 138,251	\$ 138,219	\$ -	\$ 32	\$ -
95100	Protective services - labor	\$ -	\$ -	\$ -	\$ -	\$ -
95200	Protective services - other contract costs	\$ -	\$ -	\$ -	\$ -	\$ -
95300	Protective services - other	\$ -	\$ -	\$ -	\$ -	\$ -
95500	Employee benefit contributions - protective services	\$ -	\$ -	\$ -	\$ -	\$ -
95000	<b>Total Protective Services</b>	\$ -	\$ -	\$ -	\$ -	\$ -



THE HOUSING AND REDEVELOPMENT COMMISSION OF THE CITY OF MITCHELL, SOUTH DAKOTA

Financial Data Schedule  
For the Year Ended June 30, 2013

Line Item No.	Description	Total Programs	14.850a	14.872	14.871	14.239
			Low Rent	Capital Fund Program	Housing Choice Vouchers	HOME Investment Partnership Program
96110	Property Insurance	\$ 10,051	\$ 10,051	\$ -	\$ -	\$ -
96120	Liability Insurance	\$ 1,901	\$ 1,494	\$ -	\$ 407	\$ -
96130	Workmen's Compensation	\$ 4,377	\$ 3,456	\$ -	\$ 921	\$ -
96140	All Other Insurance	\$ 2,410	\$ 1,925	\$ -	\$ 485	\$ -
96100	<b>Total Insurance Premiums</b>	<b>\$ 18,739</b>	<b>\$ 16,926</b>	<b>\$ -</b>	<b>\$ 1,813</b>	<b>\$ -</b>
96200	Other general expenses	\$ 1,517	\$ 1,315	\$ -	\$ 202	\$ -
96210	Compensated absences	\$ 12,526	\$ 11,307	\$ -	\$ 1,219	\$ -
96300	Payments in lieu of taxes	\$ 30,810	\$ 30,810	\$ -	\$ -	\$ -
96400	Bad debt - tenant rents	\$ 531	\$ 531	\$ -	\$ -	\$ -
96500	Bad debt - mortgages	\$ -	\$ -	\$ -	\$ -	\$ -
96600	Bad debt - other	\$ -	\$ -	\$ -	\$ -	\$ -
96800	Severance expense	\$ -	\$ -	\$ -	\$ -	\$ -
96000	<b>Total Other General Expenses</b>	<b>\$ 45,384</b>	<b>\$ 43,963</b>	<b>\$ -</b>	<b>\$ 1,421</b>	<b>\$ -</b>
96710	Interest of Mortgage (or Bonds) Payable	\$ -	\$ -	\$ -	\$ -	\$ -
96720	Interest on Notes Payable (Short and Long Term)	\$ -	\$ -	\$ -	\$ -	\$ -
96730	Amortization of Bond Issue Costs	\$ -	\$ -	\$ -	\$ -	\$ -
96700	<b>Total Interest Expense and Amortization Cost</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
96900	<b>Total Operating Expenses</b>	<b>\$ 455,230</b>	<b>\$ 424,874</b>	<b>\$ -</b>	<b>\$ 30,356</b>	<b>\$ -</b>
97000	<b>Excess Revenue Over Operating Expenses</b>	<b>\$ 231,583</b>	<b>\$ 53,202</b>	<b>\$ 32,583</b>	<b>\$ 145,798</b>	<b>\$ -</b>
97100	Extraordinary maintenance	\$ 35,395	\$ 35,395	\$ -	\$ -	\$ -
97200	Casualty losses- Non-capitalized	\$ -	\$ -	\$ -	\$ -	\$ -
97300	Housing assistance payments					
97300-010	Mainstream 1 & 5 year	\$ -	\$ -	\$ -	\$ -	\$ -
97300-020	Home-Ownership	\$ -	\$ -	\$ -	\$ -	\$ -
97300-025	Litigation	\$ -	\$ -	\$ -	\$ -	\$ -
97300-030	Hope IV	\$ -	\$ -	\$ -	\$ -	\$ -
97300-035	Moving to Work	\$ -	\$ -	\$ -	\$ -	\$ -
97300-040	Tenant Protection	\$ -	\$ -	\$ -	\$ -	\$ -
97300-050	All Other	\$ 192,842	\$ -	\$ -	\$ 192,842	\$ -
	<b>Housing assistance payments</b>	<b>\$ 192,842</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 192,842</b>	<b>\$ -</b>
97350	<b>HAP Portability-in</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
97400	Depreciation expense	\$ 212,798	\$ 209,093	\$ 3,705	\$ -	\$ -
97500	Fraud losses	\$ -	\$ -	\$ -	\$ -	\$ -
97800	Dwelling units rent expense	\$ -	\$ -	\$ -	\$ -	\$ -
90000	<b>Total Expenses</b>	<b>\$ 896,265</b>	<b>\$ 669,362</b>	<b>\$ 3,705</b>	<b>\$ 223,198</b>	<b>\$ -</b>
10010	Operating transfer in	\$ 1,308	\$ 1,308	\$ -	\$ -	\$ -
10020	Operating transfer out	\$ (1,308)	\$ -	\$ (1,308)	\$ -	\$ -
10030	Operating transfers from / to primary government	\$ -				
10030-010	Not For Profit	\$ -	\$ -	\$ -	\$ -	\$ -
10030-020	Partnership	\$ -	\$ -	\$ -	\$ -	\$ -
10030-030	Joint Venture	\$ -	\$ -	\$ -	\$ -	\$ -
10030-040	Tax Credit	\$ -	\$ -	\$ -	\$ -	\$ -
10030-050	Other	\$ -	\$ -	\$ -	\$ -	\$ -
10030-060	Other Comment					
10030	<b>Operating transfers from / to primary government</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
10040	Operating transfers from / to component unit	\$ -	\$ -	\$ -	\$ -	\$ -
10070	Extraordinary items, net gain/loss	\$ -	\$ -	\$ -	\$ -	\$ -

THE HOUSING AND REDEVELOPMENT COMMISSION OF THE CITY OF MITCHELL, SOUTH DAKOTA

Financial Data Schedule

For the Year Ended June 30, 2013

Line Item No.	Description	Total Programs	14.850a Low Rent	14.872 Capital Fund Program	14.871 Housing Choice Vouchers	14.239 HOME Investment Partnership Program
10080	Special items, net gain/loss	\$ -	\$ -	\$ -	\$ -	\$ -
10091	Inter Project Excess Cash Transfer In	\$ -	\$ -	\$ -	\$ -	\$ -
10092	Inter Project Excess Cash Transfer Out	\$ -	\$ -	\$ -	\$ -	\$ -
10093	Transfers between Programs and Projects - in	\$ -	\$ -	\$ -	\$ -	\$ -
10094	Transfers between Programs and Projects - out	\$ -	\$ -	\$ -	\$ -	\$ -
10100	<b>Total other financing sources (uses)</b>	\$ -	\$ 1,308	\$ (1,308)	\$ -	\$ -

10000	<b>Excess (Deficiency) of Revenue Over (Under) Expenses</b>	\$ (209,452)	\$ (189,978)	\$ 27,570	\$ (47,044)	\$ -
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11020	Required Annual Debt Principal Payments	\$ -	\$ -	\$ -	\$ -	\$ -
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11030	Beginning equity	\$ 2,800,819	\$ 2,643,701	\$ 42,803	\$ 111,815	\$ 2,500
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11040	Prior period adjustments, equity transfers, and correction of errors					
11040-010	Prior period adjustments and correction of errors - Editable	\$ -	\$ -	\$ -	\$ -	\$ -
11040-020	Prior period adjustments and correction of errors - Editable	\$ -	\$ -	\$ -	\$ -	\$ -
11040-030	Prior period adjustments and correction of errors - Editable	\$ -	\$ -	\$ -	\$ -	\$ -
11040-040	Prior period adjustments and correction of errors - Editable	\$ -	\$ -	\$ -	\$ -	\$ -
11040-050	Prior period adjustments and correction of errors - Editable	\$ -	\$ -	\$ -	\$ -	\$ -
11040-060	Prior period adjustments and correction of errors - Editable	\$ -	\$ -	\$ -	\$ -	\$ -
11040-070	Equity Transfers	\$ -	\$ -	\$ -	\$ -	\$ -
11040-080	Equity Transfers	\$ -	\$ -	\$ -	\$ -	\$ -
11040-090	Equity Transfers	\$ -	\$ -	\$ -	\$ -	\$ -
11040-100	Equity Transfers	\$ -	\$ -	\$ -	\$ -	\$ -
11040-110	Equity Transfers	\$ -	\$ -	\$ -	\$ -	\$ -
	<b>Prior period adjustments, equity transfers, and correction of errors</b>	\$ -	\$ -	\$ -	\$ -	\$ -

11170	Administrative Fee Equity					
11170-001	Administrative Fee Equity- Beginning Balance	\$ 42,360	\$ -	\$ -	\$ 42,360	\$ -
11170-010	Administrative Fee Revenue	\$ 40,256	\$ -	\$ -	\$ 40,256	\$ -
11170-020	Hard to House Fee Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
11170-021	FSS Coordinator Grant	\$ -	\$ -	\$ -	\$ -	\$ -
11170-030	Audit Costs	\$ -	\$ -	\$ -	\$ -	\$ -
11170-040	Investment Income	\$ 41	\$ -	\$ -	\$ 41	\$ -
11170-045	Fraud Recovery Revenue	\$ 645	\$ -	\$ -	\$ 645	\$ -
11170-050	Other Revenue	\$ 202	\$ -	\$ -	\$ 202	\$ -
11170-051	Comment for Other Revenue				To reclassify 2012 HAP Interest	
11170-060	Total Admin Fee Revenues	\$ 41,144	\$ -	\$ -	\$ 41,144	\$ -
11170-080	Total Operating Expenses	\$ 30,356	\$ -	\$ -	\$ 30,356	\$ -
11170-090	Depreciation	\$ -	\$ -	\$ -	\$ -	\$ -
11170-095	Housing Assistance Portability In	\$ -	\$ -	\$ -	\$ -	\$ -
11170-100	Other Expenses	\$ -	\$ -	\$ -	\$ -	\$ -
11170-101	Comment for Other Expense					
11170-110	Total Expenses	\$ 30,356	\$ -	\$ -	\$ 30,356	\$ -
11170-002	Net Administrative Fee	\$ 10,788	\$ -	\$ -	\$ 10,788	\$ -
11170-003	Administrative Fee Equity- Ending Balance	\$ 53,148	\$ -	\$ -	\$ 53,148	\$ -
11170-005	Administrative Fee Equity- Ending Balance	\$ 31,503	\$ -	\$ -	\$ 31,503	\$ -
11170-006	Administrative Fee Equity- Ending Balance	\$ 21,645	\$ -	\$ -	\$ 21,645	\$ -
	<b>Administrative Fee Equity</b>	\$ 53,148	\$ -	\$ -	\$ 53,148	\$ -

11180	Housing Assistance Payments Equity					
11180-001	Housing Assistance Payments Equity - Begining Balance	\$ 69,455	\$ -	\$ -	\$ 69,455	\$ -

THE HOUSING AND REDEVELOPMENT COMMISSION OF THE CITY OF MITCHELL, SOUTH DAKOTA  
Financial Data Schedule  
For the Year Ended June 30, 2013

Line Item No.	Description	Total Programs	14.850a	14.872	14.871	14.239
			Low Rent	Capital Fund Program	Housing Choice Vouchers	HOME Investment Partnership Program
11180-010	Housing Assistance Payment Revenues	\$ 134,567	\$ -	\$ -	\$ 134,567	\$ -
11180-015	Fraud Recovery Revenue	\$ 645	\$ -	\$ -	\$ 645	\$ -
11180-020	Other Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
11180-021	Comment for Other Revenue					
11180-025	Investment Income	\$ -	\$ -	\$ -	\$ -	\$ -
11180-030	Total HAP Revenues	\$ 135,212	\$ -	\$ -	\$ 135,212	\$ -
11180-080	Housing Assistance Payments	\$ 192,842	\$ -	\$ -	\$ 192,842	\$ -
11180-090	Other Expenses	\$ 202	\$ -	\$ -	\$ 202	\$ -
11180-091	Comments for Other Expenses				To reclassify 2012 HAP Interest	
11180-100	Total Housing Assistance Payments Expenses	\$ 193,044	\$ -	\$ -	\$ 193,044	\$ -
11180-002	Net Housing Assistance Payments	\$ (57,832)	\$ -	\$ -	\$ (57,832)	\$ -
11180-003	Housing Assistance Payments Equity-Ending Balance	\$ 11,623	\$ -	\$ -	\$ 11,623	\$ -
	<b>Housing Assistance Payments Equity</b>	<b>\$ 11,623</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 11,623</b>	<b>\$ -</b>
11190	Unit Months Available					
11190-210	Total ACC HCV Units	2,736	1,344	-	1,392	-
11190-220	Unfunded Units	-	-	-	-	-
11190-230	Other Adjustments	-	-	-	-	-
11190	<b>Unit Months Available</b>	<b>2,736</b>	<b>1,344</b>	<b>-</b>	<b>1,392</b>	<b>-</b>
11210	<b>Unit Months Leased</b>	<b>2,258</b>	<b>1,335</b>	<b>-</b>	<b>923</b>	<b>-</b>
11270	<b>Excess Cash</b>	<b>\$ 950,152</b>	<b>\$ 950,152</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
11610	Land Purchases	\$ -	\$ -	\$ -	\$ -	\$ -
11620	Building Purchases	\$ 64,798	\$ 35,391	\$ 29,407	\$ -	\$ -
11630	Furniture & Equipment-Dwelling Purchases	\$ -	\$ -	\$ -	\$ -	\$ -
11640	Furniture & Equipment-Administrative Purchases	\$ 7,246	\$ 5,378	\$ 1,868	\$ -	\$ -
11650	Leasehold Improvements Purchases	\$ -	\$ -	\$ -	\$ -	\$ -
11660	Infrastructure Purchases	\$ -	\$ -	\$ -	\$ -	\$ -
13510	CFPP Debt Service Payments	\$ -	\$ -	\$ -	\$ -	\$ -
13901	Replacement Housing Factor Funds	\$ -	\$ -	\$ -	\$ -	\$ -

THE HOUSING AND REDEVELOPMENT COMMISSION  
OF THE CITY OF MITCHELL, SOUTH DAKOTA  
Financial Data Schedule  
For the Year Ended June 30, 2013

Financial Statements		
Element	Description	Value
G3000-005	Financial Statements Using Basis Other Than GAAP	NO
G3000-010	Fund Opinion(s)	
-	Qualified Opinion	NO
	Unqualified Opinion	YES
-	Adverse Opinion	NO
	Disclaimer Opinion	NO
G3000-020	"Going Concern" Indicator	NO
G3000-030	Significant Deficiency Indicator	NO
G3000-230	Does the Deficiency relate to the Low Rent or Capital Fund?	NO
G3000-240	Enter number of occurrences that relate to the Low Rent or Capital Fund Program.	
G3000-040	Material Weakness Indicator	NO
G3000-250	Does the material weakness relate to the Low Rent or Capital Fund Program?	NO
G3000-260	Enter number of occurrences that relate to the Low Rent or Capital Fund Program.	-
G3000-050	Material Noncompliance Indicator	NO
G3000-270	Does the non-compliance relate to the Low Rent or Capital Fund Program?	NO
G3000-280	Enter number of occurrences that relate to the Low Rent or Capital Fund Program.	
G3000-060	Fraud	NO
G3000-290	Does the activity relate to the Low Rent or Capital Fund Program?	NO
G3000-300	Enter number of occurrences that relate to the Low Rent or Capital Fund Program.	-
G3000-070	Illegal Acts	NO
G3000-310	Does the activity relate to the Low Rent or Capital Fund Program?	NO
G3000-320	Enter number of occurrences that relate to the Low Rent or Capital Fund Program.	
G3000-080	Abuse	NO
G3000-330	Does the activity relate to the Low Rent or Capital Fund Program?	NO
G3000-340	Enter number of occurrences that relate to the Low Rent or Capital Fund Program.	-

THE HOUSING AND REDEVELOPMENT COMMISSION  
OF THE CITY OF MITCHELL, SOUTH DAKOTA  
Financial Data Schedule  
For the Year Ended June 30, 2013

Financial Statement Fund Opinion Details		
Element	Description	Details
G3000-200	Fund Type of the fund containing the listed program	MAJOR
G3000-210	Fund Opinion of the fund containing the listed program	UNQUALIFIED
G3000-220	Is the departure or qualification related to the Capital Fund or Low Rent Programs?	N/A

**IF YOU DO NOT RECEIVE AN A-133 AUDIT, DO NOT COMPLETE THIS TAB.**

Federal Programs		
Element	Description	Value
G4000-020	Dollar Threshold Used to Distinguish Type A and Type B Programs	-
G4000-030	Low Risk Auditee Indicator	
G4000-040	Indicator-Any Audit Findings Disclosed that are Required to be Reported	-
G4000-080	Was a Schedule of Prior Audit Findings prepared?	
G4100-040	Total Federal Awards Expended (This cell is populated by G4100-030 from the "Federal Award Details" Tab)	

THE HOUSING AND REDEVELOPMENT COMMISSION  
OF THE CITY OF MITCHELL, SOUTH DAKOTA  
Financial Data Schedule  
For the Year Ended June 30, 2013

**FOR ALL NON-FEDERAL PROGRAMS LISTED, PLEASE LEAVE THOSE COLUMNS  
IF YOU DO NOT RECEIVE AN A-133 AUDIT, DO NOT COMPLETE THIS TAB.**

Federal Award Details		
Element	Description	Details
G4100-030	Amount Expended	-
G4200-010	Major Federal Program Indicator	
G4200-050	Type of Opinion on Major Federal Program	-
G4200-060	Number of A-133 Compliance Audit Findings	
G4200-100	Significant Deficiency Indicator	-
G4200-200	Number of Significant Deficiencies	
G4200-110	Material Weakness Indicator	-
G4200-210	Number of Material Weaknesses	
G4200-120	Material Noncompliance Indicator	-
G4200-220	Number of Material Noncompliance	
G4200-070	Audit Finding Reference Number	
G4200-090	Are Awards Received Directly from a Federal Agency?	
G4100-050	Total Amount of Questioned Costs	-

Supplemental Information		
Element	Description	Value
G3100-040	SAS 29 "in relation to" opinion on the Financial Data Schedule	FAIRLY STATED
G3100-050	Is MD&A omitted?	NO
G3100-060	Is other supplemental information omitted?	NO



*certified public accountants*

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Commissioners  
The Housing and Redevelopment Commission  
of the City of Mitchell, South Dakota

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of The Housing and Redevelopment Commission of the City of Mitchell, South Dakota, a component unit of the City of Mitchell, South Dakota (the Commission) as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements, and have issued our report thereon dated March 24, 2014.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Commission's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Commission's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, as required by South Dakota Codified Law 4-11-11, this report is matter of public record and its distribution is not limited.

*Wohlschlag Ritzman & Co., LLC*

March 24, 2014  
Yankton, South Dakota



**THE HOUSING AND REDEVELOPMENT COMMISSION  
OF THE CITY OF MITCHELL, SOUTH DAKOTA, A COMPONENT UNIT  
OF THE CITY OF MITCHELL, SOUTH DAKOTA**

**SCHEDULE OF PRIOR FINDINGS AND RESPONSES  
JUNE 30, 2013**

**FINDINGS - FINANCIAL STATEMENTS AUDIT**

There were no findings reported.

**THE HOUSING AND REDEVELOPMENT COMMISSION  
OF THE CITY OF MITCHELL, SOUTH DAKOTA, A COMPONENT UNIT OF  
THE CITY OF MITCHELL, SOUTH DAKOTA**

**SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE YEAR ENDED JUNE 30, 2013**

**FINDINGS - FINANCIAL STATEMENTS AUDIT**

There are no financial statement audit findings reported.